**THE HON'BLE SRI JUSTICE C.V.RAMULU**

W.P.No.11022 of 1998

Dated:11.04.2007

Between
Dugyala Madaiah

.....Petitioner

and

1.The Colliery Manager,
GDK 8 Incline,
SC Company Ltd.,
Ramagundam Div.II,
Godavari 8 Incline,
Karimnagar and another.

...Respondents

**THE HON'BLE SRI JUSTICE C.V.RAMULU**

W.P.No.11022 of 1998

ORDER:

This writ petition is filed seeking a direction to the respondents to regularize the allotment of the Quarter No.T-2/1266, Sector III colony, Godavari 8 Incline, Karimnagar to the petitioner in terms of the Memorandum of Settlement dated 31.7.1997 arrived at under Section 12 (3) of the Industrial Disputes, Act 1947.

The only grievance of the petitioner is that he was permitted to occupy Quarter No.T201266, Sector III Colony, P.O.Godavari 8 Incline in the month of June 1992. Now, the respondents have issued a notice dated 13.03.1998 stating that in accordance with Circular, an amount of Rs.1500/- per month will

be recovered from March, 1998 towards penal rent for illegal occupation of the said quarter.

According to the petitioner, he joined in the respondent-Company on 19.3.1978 as a worker Trainee and was absorbed as Coal Filler with effect from 26.10.1979 and further promoted as Coal Cutter with effect from 03.01.1993. Mean while, in the month of June 1992, he was orally instructed to occupy the quarter since he has completed 12 years of service. Since the petitioner has been in occupation of the quarter for more than 3 years as on 31.7.1997, he is entitled for regularization of allotment of the quarter as per the settlement entered into between the Union and the Company under Section 12 (3) of the Industrial Disputes Act, 1947 (for short 'the Act') on 31.7.1997. Therefore, the impugned notice dated 31.3.1998 is arbitrary and illegal.

No counter-affidavit has been filed by the respondents. Learned counsel for the respondents, on instructions, submits that the

penal rent was sought to be recovered with effect from 31.3.1998 and quarter No.T201266, in which the petitioner is presently residing, has not yet been regularized in his name. He further submits that the petitioner has no right whatever seeking regularization of the quarter which is occupied illegally in the month of June 1992.

There is no necessity to go into all the details.

The settlement arrived at between the parties under Section 12 (3) of the Act, reads as under:

> *Demand: All those unauthorized occupants of company's quarters and who have put in more than 10 years service to be regularized on their names as a one time measure*
>
> *In consideration of the unanimous request by the unions, as a gesture of good will on the eve of 50th Independence Day Celebrations, it is agreed to regularize allotment of quarters to the unauthorized occupants, provided they put in 12*

*years and above service in the company and have been in occupation of the said quarter for not less than 3 years by 31.10.1997. This relaxation is agreed to as a very special case, as one time measure and shall not be quoted as precedent.*

A plain reading of the above settlement would indicate that the management has agreed to regularize allotment of quarters to the unauthorized occupants of the company quarter by those who have put in more than 12 years of service and were in continuous occupation for more than 3 years as on 31.10.1997.

In this case, admittedly, the petitioner has completed more than 12 years of service as on 31.7.1997 and also has been in occupation of the quarter for more than 3 years as on 31.1.1997. Under those circumstances, the petitioner is entitled for regularization of the quarter occupied by him as per the settlement entered into between the parties and the writ

petition is liable to be allowed.

Writ petition is accordingly allowed. No costs.

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11-04-2007